

CONSUMER PRICE

INDEX

REPORT

JANUARY 2008

MANITOBA
BUREAU OF STATISTICS

RIGHT ANSWERS
RIGHT NOW

February 19, 2008

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CONSUMER PRICE INDEX – JANUARY 2008

PERCENT CHANGE - ALL ITEMS INDEX

	<u>JANUARY 08/JANUARY 07</u>	<u>JANUARY 08/ DECEMBER 07</u>
MANITOBA	1.6	-0.1
CANADA	2.2	-0.2

The Manitoba all items index rose 1.6% in January 2008 compared with January 2007, down from the December annual rate of 2.0%. Canada's annual rate of price increase in January was 2.2%, down from its December rate of 2.4%.

Chart 1 presents a summary of price changes for Manitoba and Canada over the last two years. The method of calculation shown in Chart 1 is the most widely used, and is often referred to by the media as the **"inflation rate"**. It is based on the percent change between the current month and the same month the previous year.

Manitoba's annual inflation rate of 1.6% in January was second lowest among the provinces. Alberta recorded the highest increase at 3.6%, while British Columbia recorded the lowest rate at 0.8%. The Winnipeg all items increase was 1.6% in January, down from an annual rate of 1.9% in December.

Between January 2007 and January 2008, Manitoba saw lower prices for the purchase and leasing of passenger vehicles, recreational equipment and services (excluding recreational vehicles), women's clothing, fresh fruit, fresh or frozen beef, homeowners' maintenance and repairs, as well as furniture. These declines were offset by higher prices for gasoline, mortgage interest cost, replacement cost, food purchased from restaurants, other owned accommodation expenses, homeowners' home and mortgage insurance, and cablevision and satellite services (including pay television).

On a monthly basis, the Manitoba all-items index was 0.1% lower in January, down from the 0.1% increase in December. Prices were lower last month for travel tours, inter-city transportation, recreational equipment and services (excluding recreational vehicles), purchase and leasing of passenger vehicles, food purchased from restaurants, telephone services, as well as purchase and operation of recreational vehicles. These declines were offset by increases in gasoline, water, mortgage interest cost, fresh vegetables, dairy products, women's clothing, and other food preparations. Prices at the national level decreased by 0.2% in January, down from the 0.1% increase in December.

CHART 1. CONSUMER PRICE INDEX
MONTHLY INFLATION RATE
MANITOBA AND CANADA

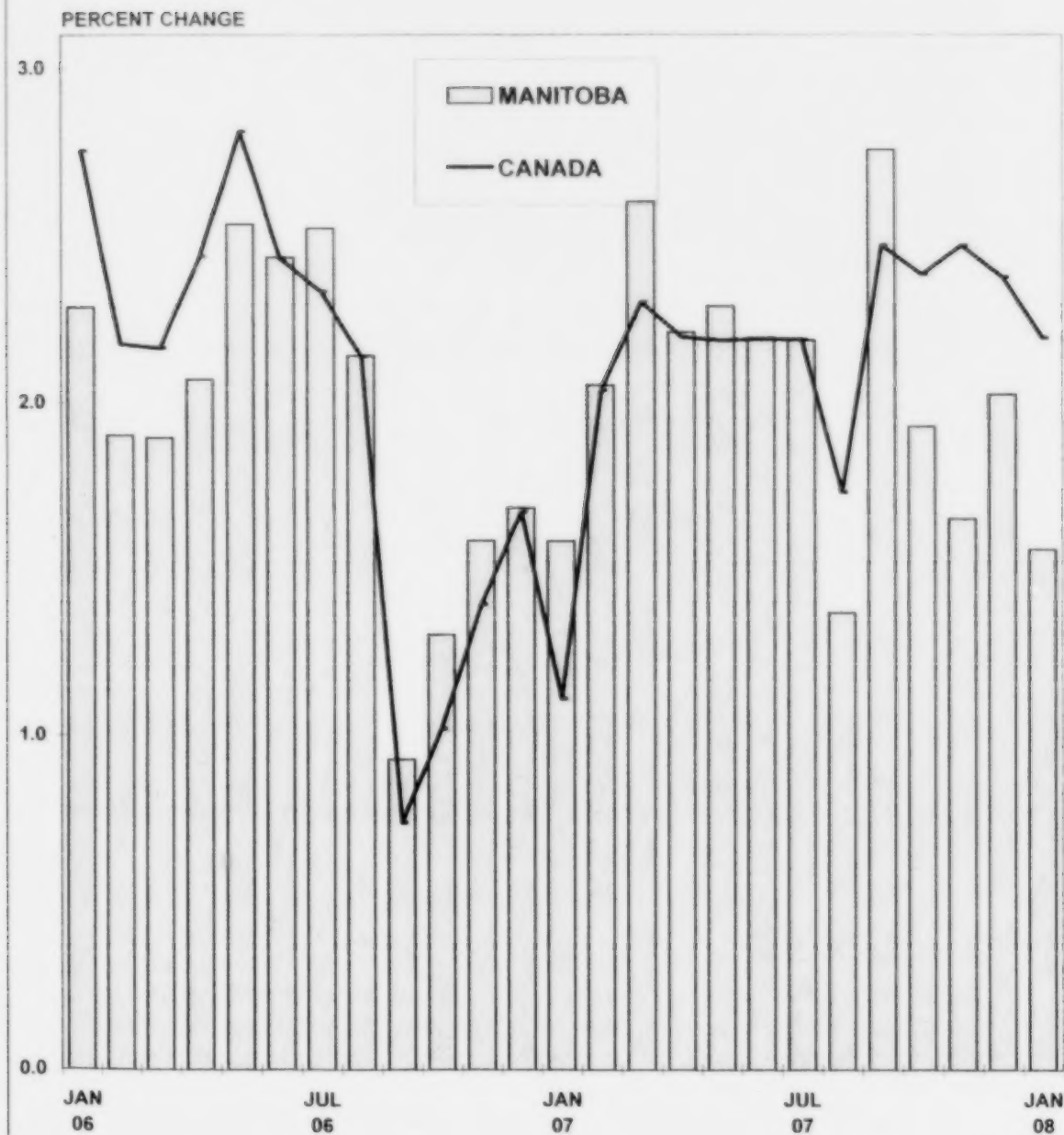


CHART 2. CONSUMER PRICE INDICES
PERCENT CHANGE FROM JAN 07 TO JAN 08
ALL ITEMS: CANADA AND PROVINCES

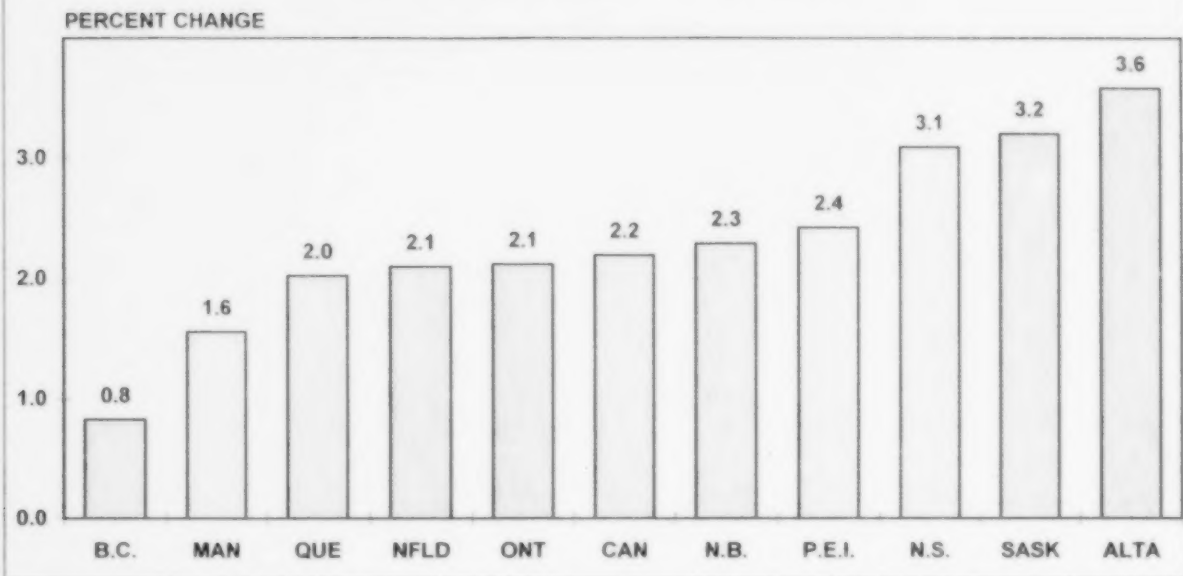


CHART 3. CONSUMER PRICE INDICES
PERCENT CHANGE FROM JAN 07 TO JAN 08
MAJOR COMPONENTS: MANITOBA

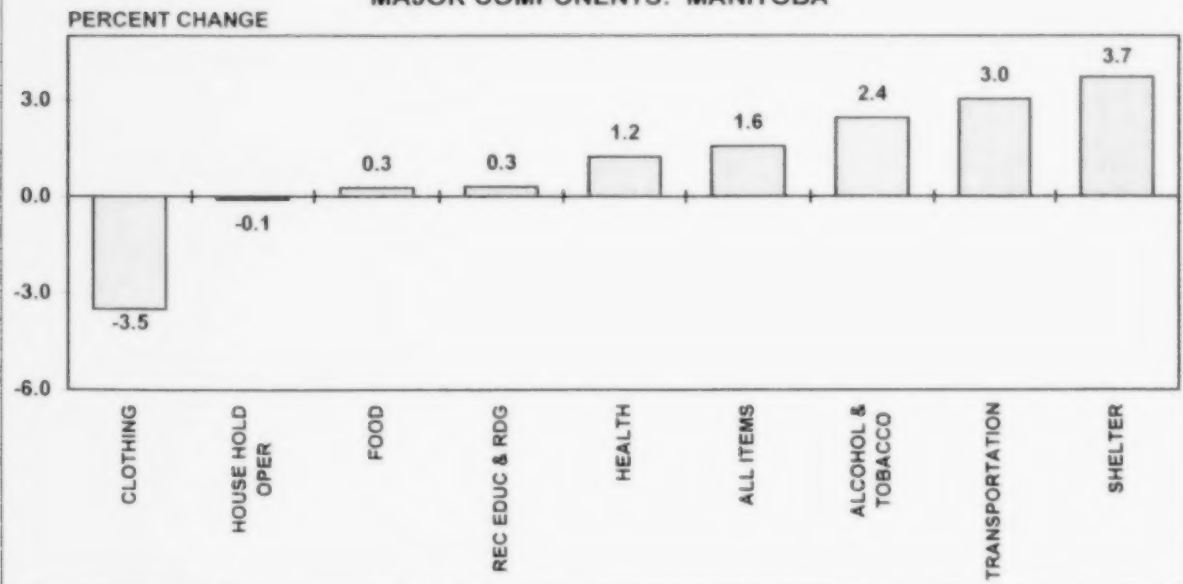


TABLE 1. CONSUMER PRICE INDICES FOR JANUARY 2008

(2002 = 100)

	MANITOBA					CANADA				
	<u>JAN 08</u>	<u>DEC 07</u>	<u>PERCENT CHANGE</u>	<u>JAN 07</u>	<u>PERCENT CHANGE</u>	<u>JAN 08</u>	<u>DEC 07</u>	<u>PERCENT CHANGE</u>	<u>JAN 07</u>	<u>PERCENT CHANGE</u>
<u>MAIN COMPONENTS:</u>										
ALL ITEMS	110.8	110.9	-0.1	109.1	1.6	111.8	112.0	-0.2	109.4	2.2
FOOD	111.9	111.4	0.4	111.6	0.3	112.4	111.7	0.6	110.9	1.4
SHELTER	117.4	117.2	0.2	113.2	3.7	119.2	119.2	0.0	114.8	3.8
HOUSEHOLD OPERATIONS AND FURNISHINGS	102.9	103.4	-0.5	103.0	-0.1	103.3	103.5	-0.2	102.4	0.9
CLOTHING AND FOOTWEAR	93.7	93.0	0.8	97.1	-3.5	92.2	93.7	-1.6	94.2	-2.1
TRANSPORTATION	115.9	115.7	0.2	112.5	3.0	117.6	117.5	0.1	113.3	3.8
HEALTH AND PERSONAL CARE	107.1	106.8	0.3	105.8	1.2	107.5	107.7	-0.2	106.3	1.1
RECREATION, EDUCATION AND READING	100.8	102.1	-1.3	100.5	0.3	99.6	101.2	-1.6	99.2	0.4
TOBACCO AND ALCOHOL	125.9	126.4	-0.4	122.9	2.4	126.4	126.2	0.2	124.2	1.8
<u>SPECIAL AGGREGATES:</u>										
ALL ITEMS EXCL. FOOD	110.6	110.7	-0.1	108.6	1.8	111.7	112.0	-0.3	109.1	2.4
ALL ITEMS EXCL. FOOD AND ENERGY	107.8	108.1	-0.3	107.0	0.7	109.0	109.4	-0.4	107.6	1.3
ENERGY	136.7	135.5	0.9	123.6	10.6	139.0	138.2	0.6	125.2	11.0
GOODS	107.5	107.3	0.2	107.4	0.1	107.3	107.4	-0.1	106.3	0.9
SERVICES	114.6	114.8	-0.2	111.0	3.2	116.2	116.5	-0.3	112.5	3.3

DATA SOURCE: STATISTICS CANADA

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TABLE 2: CONSUMER PRICE INDICES FOR JANUARY 2008

(2002 = 100)

	ALL ITEMS					FOOD				
	JAN 08	DEC 07	PERCENT CHANGE	JAN 07	PERCENT CHANGE	JAN 08	DEC 07	PERCENT CHANGE	JAN 07	PERCENT CHANGE
MANITOBA	110.8	110.9	-0.1	109.1	1.6	111.9	111.4	0.4	111.6	0.3
<u>WESTERN PROVINCES</u>										
SASKATCHEWAN	113.0	112.9	0.1	109.5	3.2	111.0	110.6	0.4	110.7	0.3
ALBERTA	118.8	118.9	-0.1	114.7	3.6	111.1	110.4	0.6	110.7	0.4
BRITISH COLUMBIA	109.9	110.1	-0.2	109.0	0.8	109.6	109.5	0.1	108.8	0.7
<u>EASTERN PROVINCES</u>										
ONTARIO	110.9	111.1	-0.2	108.6	2.1	112.5	111.7	0.7	110.8	1.5
QUEBEC	111.0	111.1	-0.1	108.8	2.0	114.2	113.4	0.7	112.5	1.5
<u>MARITIME PROVINCES</u>										
NEW BRUNSWICK	111.7	111.9	-0.2	109.2	2.3	114.8	114.3	0.4	112.2	2.3
NOVA SCOTIA	113.5	113.6	-0.1	110.1	3.1	115.4	114.9	0.4	112.9	2.2
PRINCE EDWARD ISLAND	114.2	114.7	-0.4	111.5	2.4	114.3	113.7	0.5	111.9	2.1
NEWFOUNDLAND/LABRADOR	111.9	111.8	0.1	109.6	2.1	109.9	108.9	0.9	108.2	1.6
* MANITOBA RANK			5		2			5		1

DATA SOURCE: STATISTICS CANADA

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* Ranking is done in ascending order from the lowest to the highest

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TABLE 3: PERCENT CHANGE COMPARISONS, MANITOBA AND CANADA
(AS OF JANUARY 2008)

MAIN COMPONENTS	(1) CHANGE FROM SAME MONTH LAST YEAR		(2) CURRENT ANNUAL RATE OF CHANGE		(3) 12 - MONTH ANNUAL RATE	
	MANITOBA	CANADA	MANITOBA	CANADA	MANITOBA	CANADA
ALL ITEMS	1.6	2.2	-0.7	0.7	2.1	2.2
FOOD	0.3	1.4	0.7	6.3	2.8	2.6
SHELTER	3.7	3.8	2.4	1.7	3.8	3.5
HOUSEHOLD OPERATIONS AND FURNISHINGS	-0.1	0.9	-3.1	-0.4	0.2	1.1
CLOTHING AND FOOTWEAR	-3.5	-2.1	-16.1	-18.7	-0.7	-0.3
TRANSPORTATION	3.0	3.8	5.3	8.6	1.5	2.0
HEALTH AND PERSONAL CARE	1.2	1.1	3.8	0.0	0.6	1.3
RECREATION, EDUCATION AND READING	0.3	0.4	-9.7	-11.5	1.5	1.2
TOBACCO AND ALCOHOL	2.4	1.8	-2.5	0.3	3.2	2.9
<u>SPECIAL AGGREGATES</u>						
ALL ITEMS EXCL. FOOD	1.8	2.4	-0.7	-0.4	1.9	2.1
ALL ITEMS EXCL. FOOD AND ENERGY	0.7	1.3	-2.2	-2.2	1.7	1.9
ENERGY	10.6	11.0	9.3	14.1	3.8	3.7
GOODS	0.1	0.9	-1.8	0.7	0.9	1.0
SERVICES	3.2	3.3	1.1	0.3	3.4	3.4

DATA SOURCE: STATISTICS CANADA

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NOTE: THERE ARE SEVERAL WAYS TO MEASURE THE ANNUAL PERCENT CHANGE OF THE CONSUMER PRICE INDEX, COMMONLY REFERRED TO AS THE INFLATION RATE. THE ABOVE TABLE PRESENTS THREE DIFFERENT METHODS:

- (1) THE MOST COMMONLY USED METHOD OF REPORTING THE INFLATION RATE, BASED ON PERCENT CHANGE FROM THE SAME MONTH ONE YEAR AGO.
- (2) PROVIDES A MEASURE OF THE CURRENT ANNUAL RATE OF INFLATION. THE GROWTH RATE OVER THE PRECEDING THREE MONTHS IS CALCULATED AND THEN COMPOUNDED AT AN ANNUAL RATE. IT SHOULD BE NOTED THAT THESE CALCULATIONS HAVE NOT BEEN SEASONALLY-ADJUSTED.
- (3) COMPARES THE AVERAGE OF THE 12 MONTHS ENDING THIS MONTH WITH THE AVERAGE OF THE 12 MONTHS ENDING ONE YEAR EARLIER.

TABLE 4: CONSUMER PRICE INDICES FOR JANUARY 2008: ALL ITEMS

(2002 = 100)

	<u>JAN 08</u>	<u>DEC 07</u>	<u>PERCENT CHANGE</u>	<u>(1) CHANGE FROM SAME MONTH LAST YEAR</u>	<u>(2) 12 - MONTH ANNUAL RATE</u>
WINNIPEG	110.7	110.7	0.0	1.6	2.1
<u>WESTERN CITIES</u>					
REGINA	112.3	112.2	0.1	2.7	2.7
SASKATOON	114.2	114.0	0.2	4.3	3.7
CALGARY	118.9	119.0	-0.1	3.4	4.9
EDMONTON	118.5	118.6	-0.1	4.0	4.9
VANCOUVER	110.2	110.5	-0.3	1.1	1.9
VICTORIA	109.4	109.7	-0.3	0.3	1.0
<u>EASTERN CITIES</u>					
THUNDER BAY	107.9	108.1	-0.2	1.6	1.2
TORONTO	110.7	111.1	-0.4	2.3	2.1
OTTAWA	110.4	110.8	-0.4	1.8	2.0
MONTREAL	110.8	111.0	-0.2	1.9	1.7
QUEBEC	110.6	110.8	-0.2	1.9	1.5
<u>MARITIME CITIES</u>					
SAINT JOHN, N.B.	111.7	111.9	-0.2	2.3	2.0
HALIFAX	112.9	113.1	-0.2	2.9	2.2
CHARLOTTETOWN	113.8	114.3	-0.4	2.5	2.1
ST. JOHN'S, NFLD	111.6	111.5	0.1	2.2	1.5
* WINNIPEG RANK (OUT OF 16 CITIES)			13	3	10

DATA SOURCE: STATISTICS CANADA

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* Ranking is done in ascending order from the lowest to the highest

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NOTE: THERE ARE SEVERAL WAYS TO MEASURE THE ANNUAL PERCENT CHANGE OF THE CONSUMER PRICE INDEX, COMMONLY REFERRED TO AS THE INFLATION RATE. THE ABOVE TABLE PRESENTS TWO DIFFERENT METHODS:

- (1) THE MOST COMMONLY USED METHOD OF REPORTING THE INFLATION RATE, BASED ON PERCENT CHANGE FROM THE SAME MONTH ONE YEAR AGO.
- (2) COMPARES THE AVERAGE OF THE 12 MONTHS ENDING THIS MONTH WITH THE AVERAGE OF THE 12 MONTHS ENDING ONE YEAR EARLIER.

